

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6337

BILL NUMBER: HB 1961

DATE PREPARED: Nov 30, 1998

BILL AMENDED:

SUBJECT: Acquiring historical sites by eminent domain.

FISCAL ANALYST: Bob Sigalow

PHONE NUMBER: 232-9859

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: This bill relocates the following provisions in the Indiana Code from Title 23 to Title 36: (1) that cities and towns may acquire and hold battlegrounds or other historic sites for maintaining or improving them for historical purposes; (2) that title to property so acquired may be taken under eminent domain; and (3) that property so acquired is exempt from property taxation. It repeals a provision permitting nonprofit corporations to acquire property by eminent domain and updates a cross reference to the repealed provision.

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under current statute, a nonprofit corporation is allowed to acquire by eminent domain battleground and historic property for the purpose of maintaining or improving the property for historical purposes. Battlegrounds and historic sites acquired by nonprofit corporations are exempt from property.

This bill repeals the provision permitting nonprofit corporations to acquire property by eminent domain. The property tax exemption is also removed from the property tax exemption statute (IC 6-1.1-10-38). The repeal of the exemption would place currently exempt battlegrounds and historic sites owned by nonprofit corporations (if any) on the tax rolls. It could also curtail the amount of battleground and historic property currently being removed from the tax base (if any) because of its purchase by a nonprofit corporation.

Total local revenues, except for cumulative funds, would remain unchanged even if additional property is placed on the tax rolls. Any additional assessed value (AV) in the tax base as a result of this bill would cause a shift in the property tax burden from all other taxpayers to the nonprofit corporations that own the subject property. This shift would be in the form of a reduced tax rate. The revenue for cumulative funds would be increased by the product of the fund rate multiplied by the additional AV amount applicable to that fund.

This proposal's fiscal impact depends on the quantity and assessed value of battlegrounds and historic sites owned by nonprofit corporations. The amount of nonprofit corporate owned battlegrounds and historic sites (if any) is unknown. Therefore, the actual fiscal impact is indeterminable.

State Agencies Affected:

Local Agencies Affected: All local taxing units serving battlegrounds and historic sites owned by nonprofit corporations.

Information Sources: Bill Waltz, State Tax Board (232-3761).